

FILED

FEB 11 2010

BEFORE THE BOARD OF OIL, GAS AND MINING
DEPARTMENT OF NATURAL RESOURCES
IN AND FOR THE STATE OF UTAH

**SECRETARY, BOARD OF
OIL, GAS & MINING**

JAMES CURTIS and DEBRA STARKEY
aka DEBRA CURTIS
PETITIONERS,

Vs.

MOUNTAIN OIL AND GAS, INC. and
HOMELAND GAS AND OIL, LTD.,
RESPONDENTS.

: REQUEST FOR AGENCY ACTION

: DOCKET NO. 2010-017

: CAUSE NO. 131-127 B

Comes now the Petitioners, James Curtis and Debra Starkey aka Debra Curtis, and in support of their Petition, states the following:

- 1) Petitioners are residents of San Diego County, State of California and Los Angeles County, State of California, respectively. As evidenced by Exhibit A, Petitioners are owners of oil and gas rights in the NESE, Section 2, Township 2 South, Range 1 East, U.S.M., Uintah County, Utah.
- 2) Respondent Mountain Oil and Gas, Inc., P.O. Box 1574, Roosevelt, Utah 84066 and Respondent, Homeland Gas and Oil, Ltd., P.O. Box 1776, Roosevelt, Utah 84066 operate the well and receive proceeds from the sale of oil produced from the well.
- 3) By order, in Cause No. 131-24 dated January 16, 1974, the Board of Oil, Gas and Mining (Board) established a drilling unit covering said lands consisting of the entire governmental section.
- 4) Located in said Section 2 is a well known as the 1-2B1E, API# 43-047-30931. Said well is, and has been previously, producing oil and gas from the Lower Green River and Wasatch Formations. It is the only well located in the Section.
- 5) The DOGM currently recognizes, and has done so since October 2006, Respondent, Homeland Gas and Oil, LTD. as the Operator of the 1-2B1E well. Revenues from the

sale of oil from the 1-2B1E well are currently received by Respondent, Mountain Oil and Gas, Inc and/or Homeland Gas and Oil, LTD.

- 6) Petitioners are entitled to a share of the proceeds from the sale of oil produced by the 1-2B1E well as its lands are contained within that drilling unit established by the Board. Said Section contains 650.9 acres. Petitioners own an undivided 25% of 40 acres oil and gas rights as shown by Exhibit B.
- 7) To the best of Petitioners' memory Respondent's have never disbursed Petitioners' share of the proceeds from oil sales to Petitioners. Petitioners have requested that Respondents immediately pay the sums owing and have requested the date such sums will be paid. Notwithstanding such requests Respondents have failed to disburse the proceeds from the sale of oil to which Petitioners are entitled and to reply as to what date such proceeds shall be disbursed.
- 8) The non-payment of proceeds by Respondents occurred from April, 2006 to the present, but may not be limited to this time frame as Petitioner cannot find in the public record a document wherein Mountain Oil, Inc. assigned their interest to Homeland Gas and Oil, LTD but rather can only find the documentation wherein operatorship change was requested to the Division of Oil, Gas and Mining (DOGM).
- 9) The failure to disburse proceeds to those owners is, at the very least, a breach of its fiduciary obligations and contractual obligation as operator (approved by DOGM and not as defined by Utah Code Ann. § 40-6-2 (16) (1953, as amended)) of the well and as recipient of the proceeds from the sale of oil.
- 10) Petitioners believes that Respondents failed to escrow such unpaid proceeds as is required by Utah Code Ann. § 40-6-9-3(b)(i) (1953, as amended).

WHEREFORE, Petitioners respectfully request as follows:

- A) Pursuant to Utah Code Ann. § 40-6-9, (1953, as amended), the Board set this matter for an Investigation and Negotiation Conference by the Division in accordance with the rules of the Board of Oil, Gas and Mining ("Board").
- B) If this matter cannot be resolved by the Investigation and Negotiation Conference, the Board set the matter for hearing at a regularly scheduled hearing of the Board of Oil, Gas and Mining.
- C) Following such hearing, the Board enter an Order that:


- 1) Non-payment of proceeds on the above referenced well is intentional with full knowledge and without reasonable justification; and
- 2) A complete accounting be made of the above referenced well, the cost of which shall not be charged to the interest owner in the above-referenced well; and
- 3) Pursuant to the accounting, all proceeds to which the Petitioners are entitled be disbursed within 30 days, and if ordered by the Board, interest at the rate of one and one-half percent (1 ½%) per month from date of delinquency; and a penalty of twenty-five percent (25%) of the delinquent proceeds due and owing the Petitioners; and
- 4) Respondents be required to timely pay all future proceeds from the well in accordance with Utah Code Ann. § 40-6-9 (1953, as amended); and
- 5) Respondents be required to, as applicable, escrow future proceeds from the well in accordance with Utah Code Ann. § 40-6-9 (1953, as amended).

Dated this 11th day of February, 2010.

Signed _____

James Curtis, Petitioner
10986 Weston Hill Dr.
San Diego, CA 92126
858-693-1349

Signed _____


Debra Starkey, Petitioner
718 S. Catalina, #3
Redondo Beach, CA 90277-4632
310-316-9596

CERTIFICATE OF SERVICE

I, James Curtis and I, Debra Starkey, hereby certify that on the 11th day of February, 2010, we did cause to be mailed, postage prepaid, the foregoing REQUEST FOR AGENCY ACTION to the following parties:

Mountain Oil and Gas, Inc.
P.O. Box 1574
Roosevelt, Utah 84066

Homeland Gas and Oil, Ltd.
P.O. Box 1776
Roosevelt, Utah 84066

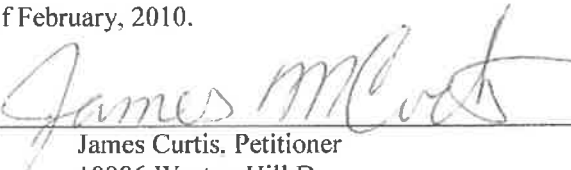
Signed: _____
James Curtis, Petitioner

Signed: Debra Starkey
Debra Starkey, Petitioner

- 1) Non-payment of proceeds on the above referenced well is intentional with full knowledge and without reasonable justification; and
- 2) A complete accounting be made of the above referenced well, the cost of which shall not be charged to the interest owner in the above-referenced well; and
- 3) Pursuant to the accounting, all proceeds to which the Petitioners are entitled be disbursed within 30 days, and if ordered by the Board, interest at the rate of one and one-half percent (1 ½%) per month from date of delinquency; and a penalty of twenty-five percent (25%) of the delinquent proceeds due and owing the Petitioners; and
- 4) Respondents be required to timely pay all future proceeds from the well in accordance with Utah Code Ann. § 40-6-9 (1953, as amended); and
- 5) Respondents be required to, as applicable, escrow future proceeds from the well in accordance with Utah Code Ann. § 40-6-9 (1953, as amended).

Dated this 17 day of February, 2010.

Signed



James Curtis, Petitioner
10986 Weston Hill Dr.
San Diego, CA 92126
858-693-1349

Signed

Debra Starkey, Petitioner
718 S. Catalina, #3
Redondo Beach, CA 90277-4632
310-316-9596

CERTIFICATE OF SERVICE

I, James Curtis and I, Debra Starkey, hereby certify that on the 17 day of February, 2010, we did cause to be mailed, postage prepaid, the foregoing REQUEST FOR AGENCY ACTION to the following parties:

Mountain Oil and Gas, Inc.
P.O. Box 1574
Roosevelt, Utah 84066

Homeland Gas and Oil, Ltd.
P.O. Box 1776
Roosevelt, Utah 84066

Signed: James Curtis
James Curtis, Petitioner

Signed: _____
Debra Starkey, Petitioner

STATE OF California } ss.

COUNTY OF _____

Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah,
Nebraska, North Dakota, South Dakota
ACKNOWLEDGMENT—INDIVIDUAL

ENTRY 97000357
BOOK 634 PAGE 223

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this
day of December, 1996, personally appeared James Curtis and Debra Curtis

and _____
_____ to me known to be the identical person _____, described in and who executed
the within and foregoing instrument of writing and acknowledged to me that they duly executed the same as their free
and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires _____

Notary Public.

Address: _____

STATE OF _____ } ss.

COUNTY OF _____

Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah,
Nebraska, North Dakota, South Dakota
ACKNOWLEDGMENT—INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this
day of _____, 19____, personally appeared _____

and _____
_____ to me known to be the identical person _____, described in and who executed
the within and foregoing instrument of writing and acknowledged to me that _____ duly executed the same as _____ free
and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

My Commission Expires _____

Notary Public.

Address: _____

STATE OF _____ } ss.

COUNTY OF _____

ACKNOWLEDGMENT (For use by Corporation)

On this _____ day of _____, A.D. 19____, before me personally
appeared _____ to me personally known, who, being by
me duly sworn, did say that he is the _____ of _____

_____ and that the seal affixed to said instrument is the corporate seal of
said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said
_____ acknowledged said instrument to be free act and deed of said corporation.

Witness my hand and seal this _____ day of _____, A.D. 19____

Notary Public.

Address: _____

(SEAL)

My Commission expires _____

No. _____	FROM	TO	Dated _____ 19____	No. Acres _____	County _____	Term _____	This instrument was filed for record on the _____ day of _____ 19____ at _____ o'clock _____ M., and duly recorded in Volume _____ Page _____ of the records of this office.	County Clerk _____	By _____ Deputy _____	When recorded return to _____
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CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

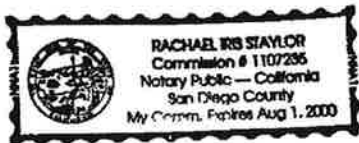
No. 5807

State of California
County of San Diego

ENTRY 97000357
Book 634 PAGE 224

On December 19, 1996 before me, Rachael Iris Staylor, Notary Public
DATE NAME, TITLE OF OFFICER - E.G., "JANE DOE, NOTARY PUBLIC"
personally appeared James Curtis and Debra Curtis
NAME(S) OF SIGNER(S)

☐ personally known to me - OR - ☒ proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) ~~is~~ are subscribed to the within instrument and acknowledged to me that ~~he/she~~ they executed the same in ~~his/her~~ their authorized capacity(ies), and that by ~~his/her~~ their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

Rachael Iris Staylor
SIGNATURE OF NOTARY

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER

☒ INDIVIDUAL
☐ CORPORATE OFFICER

TITLE(S)

☐ PARTNER(S) ☐ LIMITED
☐ GENERAL
☐ ATTORNEY-IN-FACT
☐ TRUSTEE(S)
☐ GUARDIAN/CONSERVATOR
☐ OTHER: _____

SIGNER IS REPRESENTING:
NAME OF PERSON(S) OR ENTITY(IES)

DESCRIPTION OF ATTACHED DOCUMENT

Oil and Gas Lease
TITLE OR TYPE OF DOCUMENT

1
NUMBER OF PAGES

9-7-96
DATE OF DOCUMENT

SIGNER(S) OTHER THAN NAMED ABOVE